



Rule Review Checklist Addendum

This form is to be used only if the rule was previously reviewed, and has not been amended subsequent to that review.

Document(s) Reviewed: **WAC 458-20-236 Baseball clubs and other sport organizations.**

Date last reviewed: **December 20, 1999**

Reviewer: **Gayle Carlson**

Date current review completed: **March 8, 2004**

Briefly explain the subject matter of the document(s):

This rule pertains to the business & occupation tax liability of income received by baseball clubs and other sports organizations, whether professional or non-professional.

Type an "X" in the column that most correctly answers the question, and provide clear, concise, and complete explanations where needed.

1. Public requests for review:

YES	NO	
	X	Is this document being reviewed at this time because of a public (e.g., taxpayer or business association) request?

If "yes," provide the name of the taxpayer/business association and a brief explanation of the issues raised in the request.

2. Related statutes, interpretive and/or policy statements, court decisions, BTA decisions, and WTDs: (Excise Tax Advisories (ETAs), Property Tax Advisories (PTAs), and Interim Audit Guidelines (IAGs) are considered interpretive and/or policy statements.)

YES	NO	
	X	Are there any statutory changes subsequent to the previous review of this rule that should be incorporated?
	X	Are there any interpretive or policy statements not identified in the previous review of this rule that should be incorporated? (An Ancillary Document Review Supplement should be completed for each and submitted with this completed form.)
	X	Are there any interpretive or policy statements that should be repealed because the information is currently included in this or another rule, or the information is incorrect or not needed? (An Ancillary Document Review Supplement should be completed for each and submitted with this completed form.)
	X	Are there any Board of Tax Appeals (BTA) decisions, court decisions, or



		Attorney General Opinions (AGOs) subsequent to the previous review of this rule that provide information that should be incorporated into this rule?
	X	Are there any administrative decisions (e.g., Appeals Division decisions (WTDs)) subsequent to the previous review of this rule that provide information that should be incorporated into the rule?
	X	Are there any changes to the recommendations in the previous review of this rule with respect to any of the types of documents noted above? (An Ancillary Document Review Supplement should be completed if any changes are recommended with respect to an interpretive or policy statement.)

If the answer is “yes” to any of the questions above, identify the pertinent document(s) and provide a brief summary of the information that should be incorporated into the document.

3. Additional information: Identify any additional issues (other than those noted above or in the previous review) that should be addressed or incorporated into the rule. Note here if you believe the rule can be rewritten and reorganized in a more clear and concise manner.

- **As written the rule is clear and concise.**
- **But, as stated in the last review, the sports industry has grown in size and complexity. The rule deals only with gate receipts, and does not explain the taxability of other sources of income. When revised, this rule should include guidance on taxability issues pertaining to revenue from broadcast rights, royalties, concessions, and advertising.**

4. Listing of documents reviewed: The reviewer need identify only those documents that were not listed in the previous review of the rule(s). Use “bullets” with any lists, and include documents discussed above. Citations to statutes, interpretive or policy statements, and similar documents should include titles. Citations to Attorney General Opinions (AGOs) and court, Board of Tax Appeals (BTA), and Appeals Division (WTD) decisions should be followed by a brief description (i.e., a phrase or sentence) of the pertinent issue(s).

Statute(s) Implemented:

- **RCW 82.04.290 - Tax on international investment management services or other business or service activities.**

Interpretive and/or policy statements (e.g., ETAs, PTAs, and IAGs):

- **None.**

Court Decisions:

- **None.**

Board of Tax Appeals Decisions (BTAs):

- **None.**

Appeals Division Decisions (WTDs):

- **None.**



Attorney General Opinions (AGOs):

- **None.**

Other Documents (e.g., special notices or Tax Topic articles, statutes or regulations administered by other agencies or government entities, statutes, rules, or other documents that were reviewed but were not specifically relevant to the subject matter of the document being reviewed):

- **WAC 458-20-183, Amusement, recreation, and physical fitness services.**

5. Review Recommendation:

- ☒ **Amend**
- ☐ **Repeal/Cancel** (Appropriate when action is not conditioned upon another rule-making action or issuance of an interpretive or policy statement.)
- ☐ **Leave as is** (Appropriate even if the recommendation is to incorporate the current information into another rule.)
- ☐ **Begin the rule-making process for possible revision.** (Applies only when the Department has received a petition to revise a rule.)

Explanation of recommendation: Provide a brief summary of your recommendation, whether the same as or different from the original review of the document(s). If this recommendation differs from that of the previous review, explain the basis for this difference.

- **This rule should be amended to include guidance to taxpayers, and others, on the taxability issues that now occur within the sports industry. Currently taxpayers and others have to review several rules to obtain an understanding of potential taxability. A revised rule should include instructions pertaining to income from broadcast rights, royalties, providing advertising for other taxpayers, concessions sales, and sales of event programs. Definitions for words used in the industry, as well as examples of taxability situations, would be helpful to taxpayers and others.**

6. Manager action: Date: April 22, 2004

☒ **Reviewed and accepted recommendation**

Amendment priority (to be completed by manager):

- ☐ 1
☐ 2
☐ 3
☒ 4